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United States Courts
Southern District of Texas
FILED

March 07, 2025

Nathan Ochsner, Clerk of Court

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

UNITED STATES OF AMERICA

v.

BRANDY WILLIAMS,

Defendant.

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Criminal No. 4:25-cr-98

UNDER SEAL

INFORMATION

The United States Attorney for the Southern District of Texas charges:

GENERAL ALLEGATIONS

Entity, Defendant, and Individuals

1. We Care Rx Pharmacy (“We Care Rx”) was a pharmacy located in Houston, in the Southern District of Texas. We Care Rx filled prescriptions for patients who received benefits through Medicare.

2. Defendant **BRANDY WILLIAMS**, a Doctor of Pharmacy, was a resident of Houston, Texas, and was We Care Rx’s owner and pharmacist-in-charge.

3. **PODIATRIST 1** was a podiatrist licensed to practice in Texas, with a principal practice in Houston, Texas.

The Medicare Program

4. Medicare was a federally funded health insurance program that provided health care benefits to individuals who were 65 years of age or older or disabled. Medicare was administered by the United States Department of Health and Human Services (“HHS”), through its agency, the Centers for Medicare and Medicaid Services (“CMS”).

5. Medicare was a “health care benefit program,” as defined by Title 18, United States Code, Section 24(b), and a “Federal health care program,” as defined by Title 42, United States Code, Section 1320a-7b(f).

6. Individuals who qualified for Medicare benefits were commonly referred to as “beneficiaries.” Each Medicare beneficiary was given a unique Medicare identification number.

7. Medicare covered different types of benefits, which were separated into different program “parts.” In relevant part, Medicare Part B covered physicians’ services and outpatient care and Medicare Part D covered prescription drugs.

8. Pharmacies, physicians, clinics, and other health care providers (collectively, “providers”) could enroll with Medicare and provide services to beneficiaries. Medicare providers were able to apply for and obtain a “provider number.” Providers that received a Medicare provider number were able to file claims with Medicare to obtain reimbursement for benefits, items, or services provided to beneficiaries.

9. When seeking reimbursement from Medicare for provided benefits, items, or services, providers submitted the cost of the benefit, item, or service provided together with a description of the benefit, item, or service. Additionally, claims submitted to Medicare seeking reimbursement were required to include: (a) the beneficiary’s name and Health Insurance Claim Number; (b) the date upon which the benefit, item, or service was provided or supplied to the beneficiary; and (c) the name of the provider, as well as the provider’s unique identifying number, known either as the Unique Physician Identification Number or National Provider Identifier. Claims seeking reimbursement from Medicare could be submitted in hard copy or electronically.

Medicare Part D and Claims Administration

10. In order to receive Part D prescription drug benefits, a beneficiary enrolled in a Medicare drug plan. Medicare drug plans were operated by private health care insurance companies approved by Medicare and referred to as drug plan “sponsors.” Amerigroup Insurance Company, Amerigroup Texas, Inc., and Cigna Health and Life Insurance Company were drug plan sponsors. A beneficiary in a drug plan could fill a prescription at a pharmacy and use his or her plan to pay for some or all of the prescription’s cost.

11. CMS compensated the drug plan sponsors for providing prescription drug benefits to beneficiaries. CMS paid drug plan sponsors a monthly capitation fee for each beneficiary enrolled in the sponsors’ plans. In addition, in some cases where a drug plan sponsor’s expenses for a beneficiary’s prescription drugs exceeded that beneficiary’s capitation fee, CMS reimbursed the drug plan sponsor for a portion of those additional expenses.

12. Typically, Medicare did not process beneficiaries’ prescription claims directly. Instead, drug plans were administered by pharmacy benefit managers (“PBMs”), whose responsibilities included adjudicating and processing payment for prescription drug claims submitted by eligible pharmacies. PBMs also audited participating pharmacies to ensure compliance with Medicare, PBM, and drug sponsors’ rules and regulations.

13. A pharmacy could participate in Medicare Part D by entering into a provider agreement with a drug plan sponsor or with a PBM. Pharmacies entered into contractual agreements with PBMs either directly or indirectly. If indirectly, providers first contracted with pharmacy network groups, which then contracted with PBMs on behalf of providers. By contracting with drug plans or PBMs, directly or indirectly, pharmacies agreed to comply with all

applicable laws, rules, and regulations, including all applicable federal and state anti-kickback laws.

14. Upon receiving prescriptions, pharmacies submitted claims to Medicare, PMBs, or drug plan sponsors for dispensing prescription drugs. Medicare, PMBs, and drug plan sponsors reimbursed pharmacies at specified rates, minus any copayments to be paid by beneficiaries.

15. Under the Social Security Act, Medicare covered Part D drugs that were dispensed upon a valid prescription and for a “medically accepted indication.” 42 U.S.C. § 1395w-102(e). Medicare generally did not cover drugs meant for prevention of disease and only covered drugs meant to treat an existing illness or injury.

16. To be reimbursed for prescription medications, pharmacies submitted claims to insurance companies identifying each drug or drug ingredient dispensed, including each drug’s National Drug Code (“NDC”) number, and were reimbursed accordingly.

17. Health care benefit programs or PMBs typically reimbursed pharmacies the Average Wholesale Price (“AWP”) of each drug ingredient dispensed, minus any negotiated discount. AWP referred to the average price at which drugs or drug ingredients were sold at the wholesale level. Drugs or drug ingredients with NDC numbers that reimbursed at high rates were called “high-adjudication.”

Foot Bath Drugs

18. High-adjudication foot bath drugs were antibiotic and antifungal drugs that were prescribed with a plastic foot tub, along with instructions to the beneficiary to “compound” the drugs themselves at home by mixing the drugs with warm water and to soak their feet.

19. These high-adjudication foot bath drugs were prescribed, purportedly, to treat a variety of fungal, bacterial, or other types of foot infections. The drugs included in this foot bath

routinely included daptomycin, gentamicin sulfate, ketoconazole, and other high-adjudication drugs. Additionally, most of these drugs were not subject to utilization management, meaning that Medicare did not limit the quantity of drugs that could be ordered in a single prescription.

COUNT 1
Conspiracy to Defraud the United States and Pay and Receive Health Care Kickbacks
(18 U.S.C. § 371)

20. Paragraphs 1 through 19 of this Information are re-alleged and incorporated by reference as if fully set forth herein.

21. Beginning in or around December 2020, and continuing through in or around October 2022, the exact dates being unknown, in the Houston Division of the Southern District of Texas, and elsewhere, the defendant,

BRANDY WILLIAMS,

did knowingly and willfully combine, conspire, confederate, and agree with PODIATRIST 1 and others known and unknown to the United States Attorney, to commit the following offenses against the United States, that is:

a. to defraud the United States by impairing, impeding, obstructing, and defeating, through deceitful and dishonest means, the lawful government functions of HHS in its administration and oversight of Medicare;

b. to violate Title 42, United States Code, Section 1320a-7b(b)(1) by soliciting and receiving any remuneration, including kickbacks and bribes, directly and indirectly, overtly and covertly, in cash and in kind, in return for: (i) referring an individual to a person for the furnishing and arranging for the furnishing of any item and service for which payment may be made in whole and in part by a Federal health care program, that is, Medicare; and (ii) purchasing, leasing, ordering, and arranging for and recommending

purchasing, leasing, and ordering any good, facility, service, and item for which payment may be made in whole and in part under a Federal health care program, that is, Medicare; and

c. to violate Title 42, United States Code, Section 1320a-7b(b)(2) by offering and paying any remuneration, including kickbacks and bribes, directly and indirectly, overtly and covertly, in cash and in kind, to any person to induce such person: (i) to refer an individual to a person for the furnishing and arranging for the furnishing of any item and service for which payment may be made in whole and in part by a Federal health care program, that is, Medicare; and (ii) to purchase, lease, order, and arrange for and recommend purchasing, leasing, and ordering any good, facility, service, and item for which payment may be made in whole and in part under a Federal health care program, that is, Medicare.

Purpose of the Conspiracy

22. It was a purpose of the conspiracy for **BRANDY WILLIAMS** and coconspirators known and unknown to the United States Attorney to unlawfully enrich and benefit themselves through, among other things: (a) offering, paying, soliciting, and receiving illegal kickbacks and bribes in exchange for the referral of prescriptions for high-adjudication foot bath drugs; (b) submitting and causing the submission of claims to Medicare for high-adjudication foot bath drugs that were induced by kickbacks and bribes, not medically necessary, ineligible for reimbursement, and not provided as represented; (c) concealing and disguising the payment and receipt of kickbacks and bribes, and the submission of false and fraudulent claims; and (d) diverting the proceeds of the conspiracy for the personal use and benefit of the defendant and her coconspirators, and to further the conspiracy.

Manner and Means of the Conspiracy

23. The manner and means by which **BRANDY WILLIAMS** and others engaged in the conspiracy included, among other things:

a. **BRANDY WILLIAMS** was the pharmacist-in-charge and owner of We Care Rx since approximately 2016. In or around September 2020, We Care Rx enrolled as a Medicare provider. As the owner, on or about August 24, 2020, **BRANDY WILLIAMS** agreed to abide by the Medicare laws, regulations, and program instructions, as well as the Federal anti-kickback statute.

b. In or around December 2020, **BRANDY WILLIAMS** agreed with PODIATRIST 1 that **BRANDY WILLIAMS** would pay PODIATRIST 1 kickbacks and bribes in exchange for referring prescriptions to We Care Rx for high-adjudication foot bath drugs.

c. Among the high-adjudication foot bath drugs that PODIATRIST 1 referred and caused to be referred to We Care Rx in exchange for kickbacks and bribes were daptomycin, gentamicin sulfate, and ketoconazole.

d. **BRANDY WILLIAMS** identified these high-adjudication foot bath drugs based on their high adjudication rates rather than their effectiveness or individualized patient need.

e. The beneficiaries often did not want, need, use, or understand how to use the high-adjudication foot bath drugs that PODIATRIST 1 prescribed and that **BRANDY WILLIAMS** dispensed to the beneficiaries and billed to Medicare.

f. PODIATRIST 1 often prescribed the foot bath drugs in contravention of the medically intended and accepted use of such drugs, and frequently in large quantities. For

example, We Care Rx often dispensed 60 vials of 500 mg daptomycin for a month-long period, for which We Care Rx was reimbursed more than \$24,000 from Medicare. The instructions for use included pouring a vial of daptomycin (a drug only approved to be administered intravenously), along with other ineffective but expensive drugs, in a foot bath and soaking the feet for 10 minutes. The purported instructions included doing this once or twice daily.

g. From in or around December 2020, through in or around October 2022, **BRANDY WILLIAMS** paid, or caused to be paid, approximately \$100,000 in kickbacks and bribes to PODIATRIST 1.

h. The illegal kickbacks and bribes were concealed and disguised as purported bona fide payments, including being designated as for “office space,” “office rental,” or “rent” in the memo line of checks paid by **BRANDY WILLIAMS** to PODIATRIST 1. **BRANDY WILLIAMS**, in consultation with PODIATRIST 1, later paid PODIATRIST 1 in cash payments.

i. From in or around January 2021, through in or around October 2022, Medicare paid We Care Rx at least approximately \$4,069,982.93 for high-adjudication foot bath drugs, purportedly authorized by PODIATRIST 1, that were induced by kickbacks and bribes, not medically necessary, ineligible for reimbursement, and not provided as represented, which represented over 87% of the total \$4.64 million Medicare reimbursed We Care Rx during that time period.

Overt Acts

24. In furtherance of the conspiracy, and to accomplish its object and purpose, at least one of the coconspirators committed and caused to be committed in the Houston Division of the Southern District of Texas, and elsewhere, at least one of the following overt acts, among others:

a. On or about January 7, 2021, **BRANDY WILLIAMS** submitted or caused to be submitted a claim to Medicare for reimbursement for dispensing a high-adjudication foot bath drug to beneficiary N.W. based on a prescription that PODIATRIST 1 referred to We Care Rx. Medicare paid We Care Rx approximately \$5,445.20 on that claim.

b. On or about January 8, 2021, **BRANDY WILLIAMS** paid or caused to be paid an illegal kickback and bribe in the form of a \$5,000 check to PODIATRIST 1 that falsely listed “Office Rental” on the memo line to conceal the kickback/bribe.

c. On or about February 25, 2021, **BRANDY WILLIAMS** paid or caused to be paid an illegal kickback and bribe in the form of a \$5,000 check to PODIATRIST 1 that falsely listed “Rental Space” on the memo line to conceal the kickback/bribe.

d. On or about April 30, 2021, **BRANDY WILLIAMS** submitted or caused to be submitted a claim to Medicare for reimbursement for dispensing a high-adjudication foot bath drug to beneficiary L.Y. based on a prescription that PODIATRIST 1 referred to We Care Rx. Medicare paid We Care Rx approximately \$24,030.40 on that claim.

e. On or about December 2, 2021, **BRANDY WILLIAMS** paid or caused to be paid an illegal kickback and bribe in the form of \$7,500 cash to PODIATRIST 1.

f. On or about December 16, 2021, **BRANDY WILLIAMS** submitted or caused to be submitted a claim to Medicare for reimbursement for dispensing a high-adjudication foot bath drug to beneficiary G.C. based on a prescription that PODIATRIST

1 referred to We Care Rx. Medicare paid We Care Rx approximately \$24,030.40 on that claim.

All in violation of Title 18, United States Code, Section 371.

NOTICE OF CRIMINAL FORFEITURE
(18 U.S.C. §§ 982(a)(7) and 981(a)(1)(C), and 28 U.S.C. § 2461)

25. Pursuant to Title 18, United States Code, Sections 982(a)(7) and 981(a)(1)(C), and Title 28, United States Code, Section 2461, the United States of America gives notice to the defendant, **BRANDY WILLIAMS**, that upon her conviction of Count 1 of this Information, the United States intends to seek forfeiture of all property, real or personal, that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the commission of such offense.

Property Subject to Forfeiture

26. Defendant is notified that the property subject to forfeiture includes, but is not limited to, approximately \$4,069,982.93.

Money Judgment and Substitute Assets

27. Defendant is notified that the United States will seek the imposition of a money judgment against the defendant. In the event that a condition listed in Title 21, United States Code, Section 853(p) exists, the United States will seek to forfeit any other property of the defendant in substitution up to the amount of the money judgment.

UNITED STATES OF AMERICA, by

NICHOLAS J. GANJEI
UNITED STATES ATTORNEY

LORINDA LARYEA
ACTING CHIEF, FRAUD SECTION

Monica Cooper

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